

Message Text

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15

ACTION TRSE-00

INFO OCT-01 EA-07 NEA-10 ISO-00 IO-13 AID-05 CIAE-00

COME-00 EB-07 FRB-03 INR-07 NSAE-00 USIA-06 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05

SS-15 STR-04 CEA-01 L-03 H-02 PA-01 PRS-01 /105 W

----- 059507

R 140728Z APR 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 4067

INFO AMEMBASSY ISLAMABAD

AMCONSUL KARACHI

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USADB

FOR NAC AGENCIES

E.O. 11652: ADS, DECLAS: 7/14/76

TAGS: EAID, EFIN, PK

SUBJECT: PROPOSED ADB LOAN TO PAKISTAN FOR HYDERABAD WATER
SUPPLY AND SEWERAGE PROJECT

REF: (A) TREASURY 76-46, (B) ISLAMABAD 3533, (C) MANILA 4645

1. ON 13 APRIL ADB BOARD OF DIRECTORS APPROVED LOAN
OF \$22.0 MILLION FROM SPECIAL FUND RESOURCES TO GOVT.
OF PAKISTAN TO FINANCE FOREX COST AND PORTION OF LOCAL
CURRENCY REQUIREMENT OF PROPOSED HYDERABAD WATER SUPPLY
AND SEWERAGE PROJECT. PRESS RELEASE BEING POUCHED.

2. U.S. DIRECTOR IN SUPPORTING PROJECT ALONG LINES
REF A AND B EMPHASIZED AMBITIOUS NATURE OF PROJECT
GIVEN PRESENT STATE OF WATER SUPPLY SYSTEM AND
NECESSITY TO ESTABLISH NEW AGENCY TO OPERATE PROJECT.
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HE POINTED OUT SUBSTANTIAL ENGINEERING AND FINANCIAL

TECHNICAL ASSISTANCE WOULD BE NECESSARY. WHILE TECHNICAL ASSISTANCE ALREADY PLANNED, U.S. DIRECTOR REQUESTED THAT LARGE PORTION OF THE ASSISTANCE SHOULD BE USED FOR TRAINING LOCAL COUNTERPART STAFF. US DIRECTOR ALSO STRESSED BANK SHOULD MONITOR PROJECT CLOSELY TO ASSURE TIMELY IMPLEMENTATION AND TO ENSURE RATE COVENANTS ARE FULFILLED. US DIRECTOR EXPLAINED THAT GOVT'S ASSURANCES TO MAINTAIN RATES CONSISTENT WITH SOUND WATER SUPPLY AND SEWERAGE PRACTICES ARE WELCOME SINCE WATER RATES HAVE TRADITIONALLY BEEN SENSITIVE SUBJECT. US DIRECTOR SUGGESTED THAT RATE INCREASE BE CONDITION PRECEDENT TO LOAN EFFECTIVNESS TO ASSURE PROJECTED FINANCIAL VIABILITY OF PROJECT.

3. COMMENTS BY OTHER DIRECTORS WHO SPOKE ALSO UMPHASIZED NEED TO MAINTAIN ADEQUATE WATER RATES AND IMPROVE COLLECTIONS TO ACHIEVE FINANCIAL TARGETS. OTHER COMMENTS FOCUSED ON ABILITY OF GOVT. TO ESTABLISH NEW INSTITUTION AND PREPARE NEW PERSONNEL IN TIME TO BE OPERATIONAL DURING PROJECT IMPLEMENTATION PERIOD.
STULL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WATER SUPPLY SYSTEM, SEWAGE, DEVELOPMENT BANKS, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA05196
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760141-0221
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760463/aaaacbhn.tel
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Original Handling Restrictions: n/a
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Page Count: 2
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ISLAMABAD 3533, 76 MANILA 4645
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Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 01 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 JUN 2004 by BoyleJA>; APPROVED <28 SEP 2004 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
04 MAY 2006

Review Media Identifier:
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Review Withdrawn Fields: n/a
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Status: NATIVE
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To: STATE
Type: TE
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